



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Leo Ledohowski
930 Jefferson Avenue
Winnipeg, MB R2P 1W1

FEB - 5 2016

RE: MUR 6933

Dear Mr. Ledohowski:

On April 17, 2015, the Federal Election Commission notified you of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended. On December 10, 2015, based upon the information contained in the complaint, and information provided by you, the Commission decided to dismiss the allegations that contributions made by you and accepted by Senator Lonnie Laffen and Laffen 4 Senate violated 52 U.S.C. § 30121(a). Accordingly, the Commission closed its file in this matter on January 21, 2016.

Documents related to the case will be placed on the public record within 30 days. See Statement of Policy Regarding Disclosure of Closed Enforcement and Related Files, 68 Fed. Reg. 70,426 (Dec. 18, 2003) and Statement of Policy Regarding Placing First General Counsel's Reports on the Public Record, 74 Fed. Reg. 66,132 (Dec. 14, 2009). The Factual and Legal Analysis, which explains the Commission's findings, is enclosed for your information.

If you have any questions, please contact Ana Pena-Wallace, the attorney assigned to this matter, at (202) 694-1650.

Sincerely,

Daniel A. Petalas
Acting General Counsel

BY: Jeff S. Jordan
Assistant General Counsel
Complaints Examination and
Legal Administration

Enclosure
Factual and Legal Analysis

1 **FEDERAL ELECTION COMMISSION**

2
3 **FACTUAL AND LEGAL ANALYSIS**

4 **RESPONDENT:** Leo Ledohowski

MURs 6931 and 6933

5
6
7 **I. INTRODUCTION**

8 This matter was generated by complaints filed with the Federal Election Commission (the
9 "Commission") by Daniel G. Hinnenkamp on April 10, 2015, and C.T. Marhula on April 15,
10 2015, alleging violations of the Federal Election Campaign Act of 1971, as amended (the "Act")
11 by Leo Ledohowski. For the reasons set forth below, the Commission exercised its prosecutorial
12 discretion and dismissed the allegation that the Respondent violated 52 U.S.C. § 30121(a).

13 **II. FACTUAL AND LEGAL ANALYSIS**

14 **A. Factual Background**

15 Based on information obtained from the North Dakota Secretary of State's website, the
16 complaints allege violations of the Act's ban on contributions by foreign nationals. They allege
17 that Leo Ledohowski, who disclosed a Canadian mailing address, and according to one
18 complainant, "is a successful Canadian business person," made contributions to state campaign
19 committees, in violation of the Act. The contributions at issue were a \$1,000 contribution made
20 on September 12, 2010, and a \$1,945.42 contribution made on October 25, 2014, both made to
21 Laffen 4 Senate, North Dakota State Senator Lonnie Laffen's state campaign committee, and a
22 \$2,500 contribution made on July 11, 2012, to Dalrymple for Governor, the campaign committee
23 for Governor Jack Dalrymple of North Dakota.

24 The complaint in MUR 6931 cites a press report stating that Senator Laffen claimed to
25 have checked with the North Dakota Secretary of State on the propriety of "accepting donations
26 from any country" and was told that it was permissible. According to available information,

1 Laffen's campaign refunded both of Ledohowski's contributions on April 20, 2015. Ledohowski
2 acknowledges that he was contacted about making campaign contributions, so he inquired
3 whether it was permissible for him as a Canadian citizen to make such contributions and was
4 advised that the contributions were allowed.¹ Available information also indicates that Governor
5 Dalrymple's campaign may have also relied on state guidance in accepting Ledohowski's
6 contribution. His campaign refunded Ledohowski's contribution on April 22, 2015.
7 Ledohowski's response confirms that all the contributions were refunded.²

8 **B. Legal Analysis**

9 Under the Act, it is unlawful for a foreign national, directly or indirectly, to make a
10 contribution or donation of money or other thing of value "in connection with a Federal, State, or
11 local election."³ In addition, no person may solicit, accept, or receive a foreign national
12 contribution or donation.⁴ A "foreign national" is an individual who is not a citizen of the United
13 States or a national of the United States and who is not lawfully admitted for permanent
14 residence.⁵ If a committee treasurer, based on new evidence not available to the political
15 committee at the time of receipt and deposit, discovers that an illegal contribution, such as one

¹ Ledohowski Resp. (Apr. 28, 2015).

² *Id.*

³ 52 U.S.C. § 30121(a)(1)(A); 11 C.F.R. § 110.20(b).

⁴ 52 U.S.C. § 30121(a)(2). The Commission's regulations employ a "knowingly" standard here. 11 C.F.R. § 110.20(g). A person knowingly accepts a prohibited foreign national contribution or donation if that person has actual knowledge that funds originated from a foreign national, is aware of facts that would lead a reasonable person to conclude that there is a substantial probability that the funds originated from a foreign national, or is aware of facts that would lead a reasonable person to inquire whether the funds originated from a foreign national but failed to conduct a reasonable inquiry. *Id.* § 110.20(a)(4).

⁵ 52 U.S.C. § 30121(b)(2); 11 C.F.R. § 110.20(a)(3)(ii).

1 from a foreign national, was accepted, the treasurer shall refund the contribution to the
2 contributor within thirty days of the date on which the illegality is discovered.⁶

3 It appears that the contributions made by Ledohowski violated the prohibition on
4 contributions by foreign nationals under the Act and Commission regulations. Senator Laffen
5 and Governor Dalrymple appeared to have relied on guidance provided by a state government
6 office that was ultimately incorrect. Ledohowski indicates that he received advice that the
7 contributions were permissible but did not specify from whom. Moreover, the committees
8 promptly refunded the impermissible contributions from Ledohowski, totaling \$5,445.42, in
9 April 2015, shortly after the Commission received the complaints in this matter.

10 Based on the available information, it appears that the violations may have been
11 inadvertent in nature. In light of the fact that the illegal contributions were refunded within the
12 thirty-day time period required by Commission regulations, further enforcement resources are
13 not warranted in this matter. Accordingly, the Commission has chosen to exercise its
14 prosecutorial discretion to dismiss the allegations that Leo Ledohowski violated 52 U.S.C.
15 § 30121(a).⁷

⁶ 11 C.F.R. § 103.3(b)(2).

⁷ See *Heckler v. Chaney*, 470 U.S. 821 (1985).